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Paxson Communications Corporation

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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WROO-FM
WAIA-FM
WNZS-AM
WZNZ-AM

Hon. William F. Caton
Acting Secretary
Federal Communications Commission
Washington, D.C. 20554

Re: **Ex Parte Presentation**

MM Docket No. 92-51 (Policies Affecting
Investment in the
Broadcast Industry)

MM Docket No. (91-221) (Regulations Governing
Television
Broadcasting)

Dear Mr. Caton:

Paxson Communications Corp. ["PCC"] submits these comments urging the Commission to act promptly in the above-captioned proceedings to ease existing restrictions on media ownership and to initiate new proceedings to allow additional radio multiple and cross-ownership.

Two years ago, the Commission took a first step toward a broadcast regulatory regime which more closely comports with the realities of the contemporary communications marketplace: it adopted modest revisions in its radio ownership rules. Its action was based on the recognition that competition in the radio marketplace was so intense that the viability of many weaker stations was seriously threatened. The agency's bedrock goals of competition and diversity thus demanded relaxation of the radio ownership rules' regulatory burdens.

This action has more than fulfilled the Commission's expectations. The modest increases in common radio station ownership and operation facilitated by the rule changes have introduced new vitality and responsiveness into the radio industry.



Florida's Largest
Broadcaster



Resources available through new ownership and operating responsibility have transformed stations which once were failing or marginal facilities into healthy competitors, able to serve the public with improved programming. Once near-bankrupt stations have been rescued, reprogrammed and, where they once could not afford substantial public service, they now contribute substantially to it. In particular, struggling AM broadcast stations have been able to improve service and continue their broadcast operations.

PCC has significant first-hand knowledge of the public service benefits which follow liberalization of ownership regulation. PCC now owns multiple radio stations in each of Florida's four largest markets, including a number of once-marginal facilities which, operated more efficiently under common ownership, have been able to exploit the economies inherent in joint operation to increase their public service programming, adding substantially to the news and information available in their markets. Frequently, this programming has been narrowly targeted to specific audiences, a capability made possible only by the efficiencies associated with common ownership.

Enhanced opportunities for common ownership and operation have, in short, produced the service benefits which the Commission's rule changes anticipated. Relaxation of radio ownership restrictions has facilitated industry stability. Enhanced stability has meant enhanced industry employment. It has reduced the amount of station churn, enabling stations to develop and respond to community needs on a long-term basis. And, most significantly, it has enhanced the quality of public service programming available to listeners. These public interest benefits have resulted, in large part, from the new economic vitality and stability being experienced by the radio industry.

While radio has been able to start reaping the benefits of reduced ownership regulation, television continues to languish under the weight of ownership rules designed for an era in which television was the only video game in town. Those regulations have no place in today's multi-channel video world. Television stations which are limited to a single channel to the home are at a deadly competitive disadvantage vis-a-vis their multi-channel competitors. The Commission must act, and act promptly, to modernize

its television ownership regulations in a manner more consistent with contemporary competitive reality.

The Commission has long had pending a proceeding which looks toward adoption of some such changes. Comments filed therein reflect widespread support for increased television ownership. The agency should act promptly to adopt the changes proposed therein and propose, and promptly implement, even further changes.

Similarly, the Commission should resolve its long-outstanding proceeding looking toward modification of its ownership attribution rules. Like its ownership rules, the Commission's attribution standards were designed for a communications marketplace which no longer exists. The proposed changes in those standards, while limited, would significantly enhance the availability of the capital which is critically necessary to the practical viability of ownership changes.

Finally, the Commission should institute and promptly conclude proceedings looking toward further relaxation of its radio ownership rules.

In an era of 500-channel cable and fiber optic systems capable of delivering multiple video and data signals to the home, regulations which restrict single-channel television ownership are an archaic anachronism of a bygone era. The Commission must not delay modernization of its ownership regulations: the American public cannot afford it.

Very truly yours,

PAXSON COMMUNICATIONS CORP.

By 
Lowell W. Paxson

cc: Chairman Reed E. Hundt
Commissioner James H. Quello
Commissioner Andrew C. Barrett
Commissioner Susan Ness
Commissioner Rachelle Chong
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